



**Central
Intelligence**

25X1

National Intelligence Daily

25X1

**Wednesday
1 April 1987**

25X1

~~Top Secret~~

CPAS NID 87-075JX

1 April 1987

25X1

Page Denied

Top Secret



25X1

Contents

El Salvador: Guerrillas Overrun Army Outpost.....	1
Iraq-US: Criticism of US Policy	2
Zimbabwe: Movement Toward One-Party State	3

Notes



25X1

Honduras: Pressure To Seize Mine	4
USSR: Construction Firm Goes Bankrupt	5



25X1

Sierra Leone: Momoh's Opportunity in Failed Coup Plot	6
Sub-Saharan Africa: Libyan Reprisals Feared	6
Colombia: Cocaine Laboratory Raid	7
West Germany: Problems With Agricultural Policy	7
Lebanon: Amal Trying To Recoup Losses	8
Nordic States: Studying Nuclear-Weapons-Free Zone	8
In Brief	9

Special Analyses

Western Europe: Push for Closer Security Cooperation	10
South Africa: Electoral Challenge by Independents	12



25X6

International: Grain Glut Continuing	15
---	----

25X1



Top Secret



1 April 1987

25X1

Top Secret

25X1

Guerrillas Attack Army Garrison, 31 March 1987

709961 3-87

25X1

Top Secret

1 April 1987

25X1

Top Secret

25X1

EL SALVADOR:**Guerrillas Overrun Army Outpost**

The surprise attack by insurgents in El Salvador early yesterday morning, which resulted in the death of a US military adviser, revealed continuing deficiencies in the Army's security practices.

25X1

25X1

25X1

Salvadoran guerrillas used small arms, mortars, and explosives to attack an Army brigade headquarters in El Paraiso, which is near the rebel base areas in northern El Salvador. One ~~US~~ military trainer and 64 Salvadoran troops were killed.

25X1

225X1

25X1

79 others were wounded. The military is denying press reports that the brigade commander and his deputy are among the dead. Only seven insurgent deaths have been confirmed so far.

25X1

After two diversionary attacks, the guerrillas—apparently aided by infiltrators inside the camp—broke through the perimeter and used satchel charges to destroy several barracks and the brigade command post, which housed US personnel and brigade officers.

25X1

could not fire on the insurgents without risking hitting government troops. Defending troops were able to push the guerrillas out of the camp, but the fighting continued until the rebels fled at dawn.

25X1

Comment: In their first major assault on Army installations in that area since 1983, the insurgents fulfilled a longstanding objective by killing a ~~US~~ military trainer in the field. As in previous successes, the guerrillas caught the Army offguard, which suggests that adequate government reconnaissance patrols had probably not been deployed.

25X1

25X1

Top Secret

25X1

Top Secret

25X1

IRAQ-US:**Criticism of US Policy**

Harsh criticism of US Persian Gulf policy by Iraqi Foreign Minister Aziz underscores Baghdad's frustration with, and suspicion of, US policy in the region. [REDACTED]

25X1

25X1

Aziz used his recent interview published in the ruling Ba'ath Party's official newspaper to make his first public attack on Washington since the disclosures of US arms sales to Iran in early November. He branded US willingness to escort Kuwaiti ships through the Strait of Hormuz to protect them against Iran's Chinese-supplied Silkworm missiles as a scheme to defuse the Iran arms issue and to promote US domination of the region. [REDACTED]

25X1

25X1

The Foreign Minister charged that the US has violated the arms embargo against Iran and turned a blind eye to Western efforts to avert a UN Security Council resolution that would force Tehran to end the war or face international sanctions. Aziz said that, to prove itself serious about ending the war, the US would have to press its allies to stem the flow of arms to Iran and lobby for a UN Security Council resolution. [REDACTED]

25X1

Comment: These remarks by Aziz reflect the views of Iraqi President Saddam Husayn and demonstrate Baghdad's deep-seated suspicions of the US. Saddam sees the absence of a UN Security Council resolution as evidence of a US tilt toward Iran. Relations between Baghdad and Washington could become worse, but Iraq is likely to exercise restraint because it values US support for a negotiated end to the war. [REDACTED]

25X1

Top Secret

25X1

Top Secret

25X1

25X1

ZIMBABWE:

Movement Toward One-Party State

Prime Minister Mugabe, to avoid fanning popular discontent while the economy is declining, is proceeding cautiously toward the creation of a one-party state.

25X1

25X1
25X1

Mugabe's ruling party plans to introduce a motion in Parliament next week that would eliminate the 20 legislative seats reserved for whites, according to press reports. He had been constrained from acting until now because the country's constitution, which came into effect with the granting of independence in April 1980, had forbidden any move to alter the status of those seats for seven years.

25X1

25X1

Mugabe also continues to encourage talks aimed at merging his ruling Zimbabwe African National Union with rival black opposition leader Joshua Nkomo's Zimbabwe African People's Union, according to the US Embassy in Harare.

25X1

25X1

The Zimbabwean economy will contract by at least 3 percent this year because of drought and a severe lack of foreign exchange, according to the Embassy. Food shortages might affect as many as 1 million people. The government has had to reduce foreign exchange allocations to private businesses by as much as 40 percent.

25X1

Comment: The proposals to eliminate the 20 seats reserved for whites and to merge the two major black parties are consistent with Mugabe's longstanding goal of creating a one-party state. The white population, which numbers about 100,000, has long expected this initiative to end the reserving of seats on a racial basis and is not likely to pose strong opposition. Mugabe will continue to move gradually toward a one-party state, however, in order to avoid further antagonizing the economically vital white community and the Ndebele-speaking people, who make up the bulk of Nkomo's support.

25X1

Zimbabwe's economic difficulties stem in part from Mugabe's efforts to boost spending on education and health rapidly. Moreover, rising transport costs for imports and the expense of maintaining more than 5,000 troops in Mozambique have aggravated Harare's foreign exchange problem. Food shortages, particularly in Nkomo's stronghold in southwestern Zimbabwe—where the drought is severe—will almost certainly add to popular discontent there and make it difficult for the major black parties to unite.

25X1

25X1

Top Secret

25X1

Page Denied

Top Secret

25X1

25X1

25X1

NICARAGUA: Rebels Destroy Road Construction Unit

Nicaraguan insurgents have destroyed a road construction camp run by the Sandinista military north of San Jose de Bocay [redacted]

25X1

[redacted] Trucks, bulldozers, and road graders were burned, and a large amount of materiel—including 24 AK-47 automatic rifles, a machinegun, and an SA-7 missile—was captured. The rebels identified two Sandinista officers and 11 soldiers among those killed [redacted]

25X1

25X1

Comment: Contra commanders have been concerned for several weeks that Sandinista efforts to extend roads northward in the Rio Bocay Valley pose a threat to their primary infiltration route. The road construction site destroyed was also near several recent aerial resupply drops to the rebels. Their apparent success in the highly militarized Rio Bocay Valley suggests Managua will have to commit additional forces to challenge the insurgents' presence in that area.

25X1

HONDURAS: Pressure To Seize Mine

X 25X1

The Honduran Government probably will face intense pressure by labor unions to take over a major mine—the third-largest US investment in Honduras—that will be closed later this month by its owner. The mine has been plagued by bitter labor disputes, depressed world prices for silver and zinc, and substantial operating losses, and the owner has been unable to find a private buyer. Its closure would reduce Honduran export earnings by \$25 million—2 percent of the total—and affect the livelihood of more than 22,000 people. Company officials fear that labor leaders linked to subversive groups will retaliate with sabotage, according to the US Embassy. [redacted]

25X1

Comment: A permanent shutdown of the mine would damage the slow-growing Honduran economy and generate public criticisms of President Azcona for failing to protect workers. Despite government concern about losing revenue and jobs, however, Tegucigalpa lacks the capital and expertise needed to operate the mine and is reluctant to seize it. Although some militant workers probably will resort to violence, they are unlikely to attract widespread support. The closing of the mine, in the wake of two widely publicized strikes last year, would be a setback for organized labor and might discourage labor unrest in other industries. [redacted]

25X1

Top Secret

25X1

Top Secret

25X1

25X1

25X1

USSR: Construction Firm Goes Bankrupt

The Soviets recently announced that a construction firm in Leningrad had been allowed to go bankrupt, the only such instance known to have occurred in the USSR. According to the Soviet press, the state-owned company failed to complete work on time, incurred cost overruns, and did not meet quality standards. Some 2,000 workers and managers were fired. The workers have been offered new jobs in the Leningrad construction industry, but there has been no mention of the fate of the managers. [REDACTED]

25X1

Comment: General Secretary Gorbachev's regime hopes to increase Soviet economic efficiency by threatening unprofitable firms with liquidation. A new law on enterprises, for example, specifically allows for the closing of firms operating at a loss. The liquidation of the construction firm is a clear warning to managers that they will be held accountable for performance. To the extent that the threat of bankruptcy encourages managers to work harder, overall economic performance may benefit for at least the short run. Lasting benefits, however, would require a reallocation of resources to more efficient uses, not just administrative reorganizations of personnel and equipment. [REDACTED]

25X1

25X1

Top Secret

25X1

Top Secret

25X1

SIERRA LEONE: Momoh's Opportunity in Failed Coup Plot

CW

25X1

Sierra Leonean President Momoh's poor public image may be helped following the abortive assassination plot by former police superintendent Kaikai last week. About 45 people, including noncommissioned officers and enlisted men, have been arrested so far, according to press and US Embassy reporting. Momoh has declared there was no organized military support for the conspirators, and senior Army officers have professed their loyalty to the government, according to press reports. Many Sierra Leoneans reportedly believe that such publicly discredited figures as former President Stevens, First Vice President Minah, and a prominent Lebanese businessman were involved in Kaikai's plot.

25X1

25X1

Comment: Kaikai has long been closely associated with Stevens, Minah, and the Lebanese businessman, all of whom are at least partly blamed for the country's economic decline. If Momoh fails to demonstrate strong leadership by firing Minah or launching a belated crackdown on illegal business activities, his remaining civilian and military support probably will evaporate quickly. The participation of lower ranking Army personnel in the plot suggests that enlisted men, who have been particularly hard hit by the economic decline, may be more eager than their superiors to see a change in government.

25X1

SUB-SAHARAN AFRICA: Libyan Reprisals Feared

X 25X1

Moderate African leaders who support Chadian President Habre are increasingly apprehensive that Libya will retaliate for recent embarrassments in Chad by ordering terrorist attacks against their regimes and against French and US facilities in their countries. The US Embassy in Bamako reports that the local Libyan People's Bureau has attempted to obtain copies of the layouts of the Embassy and of French installations in Mali.

25X1

Libyan-trained terrorists in the Central African Republic have been ordered to sabotage government and French installations; Senegalese authorities expect Libyan reprisals for President Diouf's condemnation of Tripoli's activities in Chad.

25X1

Comment: Tripoli may seek to hit US and French targets in other parts of the world as well as in Sub-Saharan Africa, where inadequately trained security services

25X1

25X1

will inhibit efforts to block Libyan-sponsored reprisals. Over the short term, Benin is likely to remain a conduit for terrorists infiltrating west and central African countries, despite President Kerekou's assurances that he intends to curb Libyan activities.

25X1

25X1

Top Secret

25X1

Top Secret

25X1



25X1

Top Secret

1 April 1987

25X1

Top Secret

25X1

COLOMBIA: Cocaine Laboratory Raid25X1
25X1
25X1

Colombian President Barco is trying to maintain pressure on drug traffickers without provoking a major clash with the insurgents involved in drug production. Narcotics police recently staged a series of helicopter raids against a suspected cocaine-processing complex in the southeastern jungle, ~~according to the US Embassy in Bogota.~~ The police, operating without military assistance, attacked five sites with homemade bombs and small-arms fire. Although three sites returned fire, the police did not attempt to secure the complex by means of a ground assault.

25X1

25X1

Comment: Barco recently assured ~~US Embassy~~ officials that no part of Colombia is off limits to antidrug operations, but he has ordered top police officials not to employ ground assaults against cocaine labs. The tactic may be intended to facilitate police drug raids when military support is not available as well as to avoid confrontations with insurgents; earlier this year, Bogota twice postponed a planned military operation against a suspected rebel-associated laboratory. The damage police forces can inflict, however, will be limited until they are able to conduct ground assaults to make arrests and to verify laboratory destructions.

25X1

WEST GERMANY: Problems With Agricultural Policy

25X1

Bonn is increasingly reluctant to tackle agricultural reforms either at home or in the West European context because of sharp domestic criticism of its failure to protect West German farm income under the EC's Common Agricultural Policy. Rural support for the governing Christian Democratic Union/Christian Social Union dropped in January's national election, and the generally placid West German farmers have demonstrated in recent weeks against Bonn's EC agricultural policy. Large protests are scheduled to occur today in Bonn and Munich.

25X1

Comment:

25X6

pressures will almost certainly drive Bonn—for the short term at least—to increase domestic subsidies and to block plans that would reduce farm incomes. The global debate over agricultural reforms, however, is intensifying divisions within the Kohl government over the growing cost of agricultural policy and could ultimately lead to a more flexible West German attitude.

25X1

Top Secret

25X1

Top Secret

25X1

LEBANON: Amal Trying To Recoup Losses

X 25X1

Embattled Shia Amal leader Barri is seeking to strengthen his authority by ordering increased attacks against the Israeli-backed Army of South Lebanon. The US Embassy in Beirut reports, however, that Amal's former military commander in the south, Daud Daud, continues to challenge Barri's supremacy.

25X1

Comment: Barri's latest moves to increase his support in the south almost certainly will fail. Although Daud Daud has officially resigned his post, he controls large segments of the south. Any change in Barri's political fortunes will depend on his ability to regain Daud's complete backing. Iranian overtures to Amal are aimed at increasing Tehran's leverage over the Shia community.

25X1

NORDIC STATES: Studying Nuclear-Weapons-Free Zone

X 25X1

Last week's decision by the Nordic Foreign Ministers to create a high-level working group on a nuclear-weapons-free zone was designed to satisfy domestic proponents while decreasing the chance of establishing such a zone. Officials from Iceland and Norway have pointed out that the joint study will probably last two or three years and grapple with such troublesome issues as Soviet nuclear weapons on the Kola Peninsula and the zone's incompatibility with NATO obligations.

25X1

Comment: The establishment of a zone is indeed unlikely. The decision to set up the working group, however, could backfire by appearing to build momentum instead of slowing it. Moreover, NATO consideration of short-range nuclear weapons deployments or greater emphasis on nuclear-capable submarines in Nordic waters could reignite public activism for the zone.

25X1

25X1

Top Secret

25X1

Top Secret

25X1

25X1

In Brief**USSR**

31 March
Soviet scientific module launched ~~yesterday~~, expected to dock with Mir space station ~~Saturday~~ . . . will facilitate highly publicized scientific program that will probably mask expansion of military-related experiments begun earlier on Salyut space stations.

25X1

25X1

25X1

South Asia

25X1

East Asia

— De facto head of **China's** military, Yang Shangkun, to visit US by midyear, according to US Embassy . . . Beijing probably seeking to balance Vice Premier Li Peng's planned trip to **USSR** this summer.

25X1

25X1

25X1

Americas

— **Ecuador's** largest opposition party has nominated Rodrigo Borja for presidency in election next January . . . Borja lost in 1984, but ~~US Embassy ranks him~~ as favorite . . . apparently moving closer to left wing of his center-left party.

25X1

25X1

25X1

— **Jamaican** Prime Minister Seaga called snap opening of parliament to preempt opposition demonstration

25X1

25X1

Africa

— **Zimbabwean** delegation has returned from **USSR** without arms accord . . . negotiations likely to drag on as Harare also considers **British** offer of air defense weapons.

25X1

25X1

25X1

25X1

Top Secret

25X1

Top Secret

25X1

Membership in WEU, EC, and NATO

	WEU	EC	NATO
UK	X	X	X
West Germany	X	X	X
France	X	X	X
Italy	X	X	X
Belgium	X	X	X
Netherlands	X	X	X
Luxembourg	X	X	X
Denmark		X	X
Greece		X	X
Spain		X	X
Portugal		X	X
Norway			X
Turkey			X
Iceland			X
Ireland		X	
Canada			X
US			X

25X1

Top Secret

1 April 1987

25X1

Top Secret

25X1

25X1

25X1

Special Analysis**WESTERN EUROPE: Push for Closer Security Cooperation**

Some West European leaders, concerned about possible US troop reductions in Europe and a zero-zero INF agreement, have renewed calls for closer West European coordination on security matters. These anxieties will continue to spur Allied governments to broaden their security dialogue, particularly on arms control, but procedural difficulties and national differences will limit effective coordination.

25X1

Most NATO governments fear that a zero-zero INF agreement would make the Soviets' shorter range missiles even more important and lead to the denuclearization of Europe, a move that would increase the threat from Soviet conventional forces and produce a "decoupling" of the US from West European defense. Recent calls by some former US officials to cut US troop levels in Europe have heightened West European concerns over the strength of the US defense commitment. As a result, the British, French, and West Germans have recently shown a greater willingness to consult informally on security issues with each other as well as in larger forums such as the Western European Union.

25X1

Looking for a Forum

Most Allies favor the WEU for formal discussions of security issues. In a recent Brussels speech, for example, UK Foreign Secretary Howe said that the Reykjavik meeting and the prospect of an INF agreement underline the need for close European consultations in a forum such as the WEU. Howe stressed that NATO would remain the decisionmaking body for defense matters and that closer consultations would make Western Europe a better partner in the Alliance. He nonetheless added that West Europeans should coordinate views on security so that their concerns be understood and taken into account by both the US and the USSR.

25X1

Howe's comments also reflect broader West European anxieties over a perceived change in US attitudes about European defense. He pointed to economic and trade disputes, the growing importance of the Pacific and other regions to the US, and "burden-sharing pressures" in Washington as weakening the transatlantic consensus. Howe argued that efforts to strengthen defense cooperation in forums such as the WEU could help to convince US skeptics of Western Europe's commitment to a strong defense and prevent a reduction of the US contribution to the endeavor.

25X1

*continued***Top Secret**

25X1

Top Secret

25X1

EC Commission President Delors last month proposed a special EC security summit to formulate a common response to General Secretary Gorbachev's recent INF proposal. Despite increased security consultations within the EC since Reykjavik, most EC members' leaders have responded coolly to this proposal by Delors and indicate that such discussions belong in the more restrictive WEU environment. [REDACTED]

25X1

The national leaders argue that the EC's charter limits the Community to discussing only the political and economic aspects of security, and they point to the bureaucratic and coordination problems posed by the membership of neutral Ireland and by Danish and Greek sensitivities on nuclear issues. Belgian Prime Minister Martens, however, is investigating the possibility of a meeting of West European states outside the EC framework, and EC Foreign Ministers probably will discuss arms control and the INF negotiations at their informal meeting in Brussels this weekend. [REDACTED]

25X1

Prospects

National rivalries, divergent interests, and concern about the US reaction will hinder efforts by the Allies to expand their security dialogue. [REDACTED]

25X1

[REDACTED]

Still, the comprehensive nature of the Reykjavik proposals and the perception that an INF accord could weaken West European defenses are sustaining Allied interest in broadening defense consultations—especially bilaterally and in the WEU context. Although such consultations could reaffirm Allied support for NATO security policies, they could also challenge the US leadership role. [REDACTED]

25X1

25X1

Top Secret

25X1

Top Secret

25X1

Special Analysis**SOUTH AFRICA: / Electoral Challenge by Independents**CW
25X1

The emergence of independent candidates in South Africa's whites-only election on 6 May suggests that a growing minority of reform-minded whites, including longtime supporters of the ruling National Party, no longer believe President Botha and the rest of the party's leaders offer a credible strategy for resolving the country's racial crisis. The independents hope their electoral challenge will either force a formal split in the party or convince the party's leaders that many whites, including Afrikaners, want accelerated reforms. The reform elements face an uphill battle, however, and will have to make a strong showing if they are to have a lasting impact on white politics.

25X1

Six whites are now running as independents. The defections of several longtime National Party supporters have rekindled rumors that other members of the party's "left wing" will also bolt. ~~The US Embassy reports~~ 25 to 35 of the 127 Nationalist members of the parliament probably share the views of the independents, but it adds they appear to have decided to remain in the party for the time being.

25X1

25X1

Independents' Strategy

With only a handful of candidates, the independents recognize they cannot significantly reduce the National Party's commanding majority in parliament, but they hope to demonstrate that the party has misread the electorate and underestimated white—particularly Afrikaner—support for reform. Thus far, the independents have run a careful campaign in an effort to avoid antagonizing Afrikaner voters. The independents have focused on attacking the party leadership's shortsighted approach to reform without directly criticizing the party's rank and file.

25X1

The independent candidates are probably less concerned over their immediate election prospects than about influencing postelection white politics. Some undoubtedly hope that a strong showing will split the party and encourage the formation of a more reformist Afrikaner party. Others, however, probably defected only in a bid to prod the party into instituting more fundamental change.

25X1

Some independents probably doubt any major change in the National Party's policy is likely without a change in the party's leadership. South Africa's constitution calls for a national election in 1989; many political observers expect Botha to step down beforehand. The independents may hope that a strong showing this year would increase the chance that a reformist candidate will succeed Botha.

25X1

continued

Top Secret

25X1

Top Secret

25X1

The independents already appear to have had some impact on the succession by raising questions about the prospects of the two front-runners, Minister of Constitutional Development and Planning Chris Heunis and Home Affairs Minister F. W. De Klerk. Heunis is being challenged by independent Denis Worrall, the former South African Ambassador to the UK; some US Embassy sources claim that the prospects for Heunis may already have been dealt a mortal blow. De Klerk — generally viewed as a candidate of the conservative wing of the party — has responded to the independents by softening his rhetoric and by admitting the party has made mistakes on the reform issue.

25X1

25X1

Dealing With the English Opposition

The Progressive Federal Party, which had been caught offguard by the independent movement, has decided not to run candidates against the six independents or even against some reformist Nationalist candidates. The Progressives' strategy appears to be based on a belief that more Nationalists will break with the party if the Progressives create the impression that they and the other reformers are the best representatives of the country's long-term interests.

25X1

25X1

For their part, the independents have kept the Progressives at arm's length, even though their views on reform are similar. According to the Embassy, the independents recognize that the Progressives' English-speaking, middle- to upper-class image makes their party unacceptable to many Afrikaners. Many Afrikaners now joke that the RFP stands for "Packing for Perth," a reference to the emigration of English-speaking whites from South Africa to Australia.

25X1

Outlook

The Worrall-Heunis race is generally viewed as a bellwether for the independents' prospects. A victory or even a strong showing by Worrall is likely to be interpreted as proof that the independents are more than a political aberration, encouraging them to press ahead with their challenge to the ruling party.

25X1

Significant gains by the independents and the Progressives, particularly among Afrikaner voters, will embolden those reform-minded Nationalists who have remained in the party to seek further reform. If the party's leadership rebuffs such demands, a formal split will probably be inevitable. A poor showing by the independents, however, would reduce domestic pressures on Pretoria to speed the process of change.

25X1

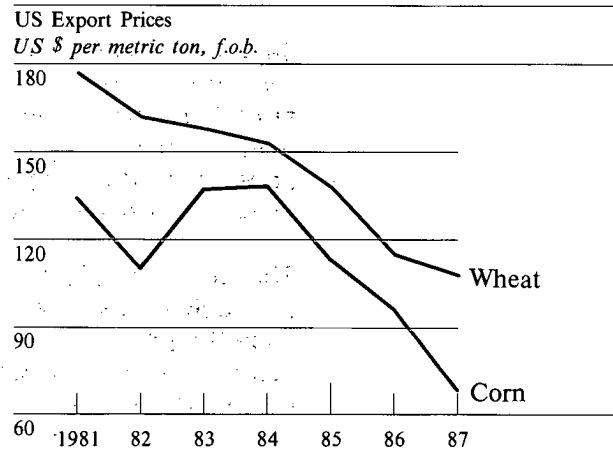
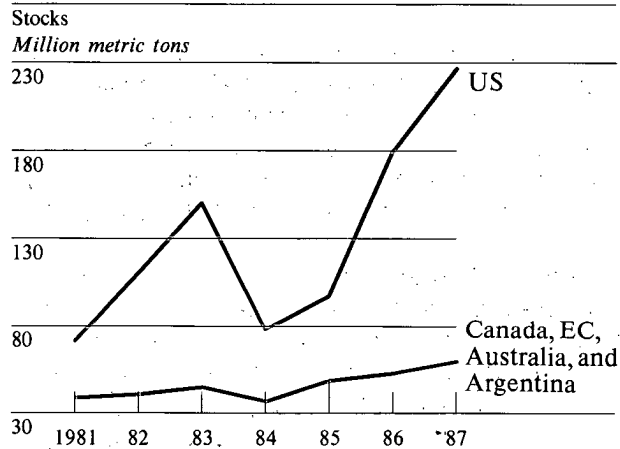
Top Secret

25X1

Page Denied

Top Secret

25X1

**Comparison of Grain Stocks and US
Export Prices, 1981-87^a***Note scale change*^a Ending stocks as of 30 June of the stated year.

312289 3-87

25X1

Top Secret

1 April 1987

25X1

Top Secret

25X1

Special Analysis**INTERNATIONAL:****Grain Glut Continuing**

Global grain production this year will probably reach a record 1.4 billion metric tons; coupled with a sluggish world economy, this output will keep grain trade at a depressed level of about 170 million tons. With stiffening competition, falling grain prices, and lackluster demand, domestic pressure on, and international tensions among, Western grain producers will increase. Moscow, whose grain import needs could be 10 percent lower than they were last year, will save perhaps 30 percent from its grain import bill for 1986.

25X1

Australia recently sold 2 million tons of wheat to Egypt at US \$16 per ton below the guaranteed price paid to Australian farmers and further sweetened the deal by extending three-year credits and donating 50,000 tons of wheat to Cairo. For the market year ending 30 June, Australia reportedly will pay wheat farmers about \$200 million in price supports to offset falling world prices. Canada has already announced that it will initiate subsidies of \$750 million for its farmers to offset low grain prices. Moreover, with the EC facing a shortfall of more than \$5 billion and with farm programs and subsidies absorbing two-thirds of its budget, fiscal pressures are likely to be a driving force during agricultural negotiations in GATT and other international forums.

25X1

The USSR's import requirements probably will be some 25-28 million tons for this market year, which began 1 July 1986, and Moscow clearly believes it can virtually meet its import needs without going to the US; only about 10 percent of its grain purchases this market year have so far been from the US. Moscow is aware of the record grain stock facing the US

25X1

Global grain production is likely to outpace demand through the end of this decade. Because world grain stocks are an estimated 376 million tons—with the US alone holding 220 million tons—all world grain trade for the next two years could be met from existing stocks even if trade increased moderately. The US is not likely to regain its once dominant share of the world market any time soon because of the aggressive sales strategies of competitors, heavy EC wheat subsidies, and relatively low-priced feedwheat from Canada and Australia.

25X1

Top Secret

25X1

25X1

Page Denied